

2013 Scott County Property Tax Report with Comparison to 2012

Legislative Services Agency

September 2013



This report describes property tax changes in Scott County between 2012 and 2013.

Property tax changes in 2013 were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. However, three statewide trends affected a large number of counties.

- First, pay-2013 was a statewide reassessment year. In past reassessments there were double-digit percentage increases in assessed values, but this time assessments were almost unchanged statewide. The difference was trending, which has been adjusting assessments annually since 2007. Few counties experienced large assessment increases in 2013. Many experienced assessment decreases.
- Second, farmland assessments continued to rise, with the base rate of an acre increasing 8.7% from \$1,500 to \$1,630. High commodity prices and low interest rates were the reason. Rising farmland assessments were especially important in rural counties, where farmland is a larger part of total assessed value.
- Third, many local income tax credit rates increased substantially. This was due to a corrected distribution of local income tax revenues to local governments. Extra income tax revenue was applied to tax credits in 2013. This may mean that credit rates will fall (and tax bills will rise) in 2014.

Still, local factors were most influential in individual counties in 2013. Here is what affected taxes in Scott County.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2013	-1.3%	\$15,529,797	\$647,030,175	5.9%
Change		-0.2%	-1.7%	
2012	1.8%	\$15,557,517	\$657,967,662	5.3%

Comparable Homestead Property Tax Changes in Scott County

The total tax bill for all taxpayers in Scott County decreased by 1.3% in 2013. The main reason was a small 0.2% decrease in the total property tax levy. In this reassessment year, certified net assessed value decreased by 1.7%. Since certified assessed value fell more than the levy, tax rates increased, and this increased the tax cap credits as a percentage of the levy from 5.3% in 2012 to 5.9% in 2013.

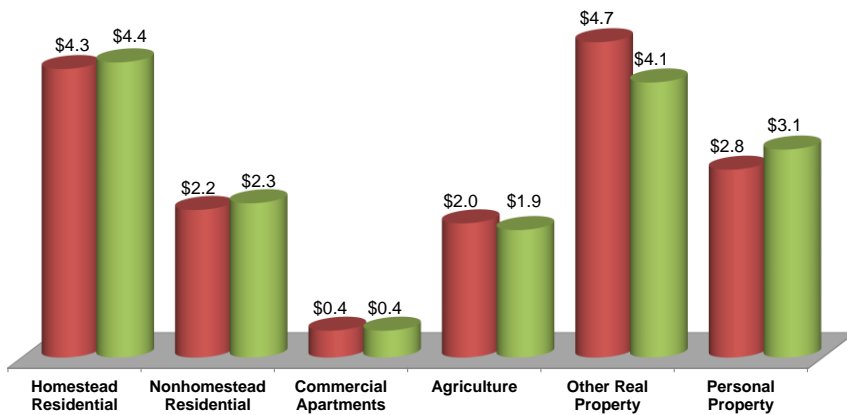
Scott County homeowners experienced a 4.9% increase in property tax bills in 2013. This was due to an increase in property tax rates and a rise in homestead net assessed value. An increase in local homestead credit rates, funded by local income taxes, tempered the homestead tax bill increase. Statewide, the average homeowner's tax bill was almost unchanged.

	<u>2012 to 2013</u>	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	3,187	48.4%
No Change	359	5.4%
Lower Tax Bill	3,042	46.2%
Average Change in Tax Bill	4.9%	
Detailed Change in Tax Bill		
20% or More	1,355	20.6%
10% to 19%	532	8.1%
1% to 9%	1,300	19.7%
-1% to 1%	359	5.4%
-1% to -9%	1,435	21.8%
-10% to -19%	827	12.6%
-20% or More	780	11.8%
Total	6,588	100.0%

Note: Percentages may not total due to rounding.

Comparison of Net Property Tax by Property Type (In Millions)

■ 2012 - Total \$16.4 ■ 2013 - Total \$16.2



In Scott County most net property taxes were paid by business (other real and personal) and homestead property owners in 2013. Total net property taxes decreased 1.3%, compared to an average 2.1% increase statewide. Personal property had the largest increase, while business real net taxes decreased by the largest percentage.

Property tax rates increased in all seven Scott County tax districts in 2013. The average tax rate rose by 1.5% because the decrease in certified net assessed value was greater than the decrease in the levy. Statewide, the average tax rate increased by 4.2%.

The total levies of all government units in Scott County decreased by 0.2%, compared to a 3.7% statewide levy increase. Detailed levy changes for local governments in Scott County are included in a later table.

Property Type	Gross AV Pay 2012	Gross AV Pay 2013	Gross AV Change	Net AV Pay 2012	Net AV Pay 2013	Net AV Change
Homesteads	\$618,805,140	\$562,632,201	-9.1%	\$218,762,815	\$226,450,952	3.5%
Other Residential	133,082,200	133,936,340	0.6%	131,055,267	130,026,607	-0.8%
Ag Business/Land	105,050,300	147,246,220	40.2%	102,015,318	95,917,060	-6.0%
Business Real/Personal	357,439,929	333,185,130	-6.8%	291,401,018	275,379,431	-5.5%
Total	\$1,214,377,569	\$1,176,999,891	-3.1%	\$743,234,418	\$727,774,050	-2.1%

Net AV equals gross AV less deductions and exemptions. Certified net AV is set with the budget, certified by the county auditor and used to calculate tax rates. It may be adjusted by the auditor to account for appeals. Net AV in the above table is summed from tax bills. It includes TIF allocations while certified net AV does not. Gross AV also is summed from tax bills. Circuit breaker tax caps are calculated on gross AV.

Scott County's total billed net assessed value decreased by 2.1% in 2013. Declines in business real property assessments were the main reason. Net assessed value for all of Indiana was nearly unchanged, rising by only 0.1%.

Tax Cap Category	2012	2013	Difference	% Change
1%	\$40,123	\$43,239	\$3,116	7.8%
2%	831,142	856,118	24,977	3.0%
3%	59,085	127,144	68,059	115.2%
Elderly	10,421	12,724	2,303	22.1%
Total	\$940,770	\$1,039,225	\$98,454	10.5%
% of Levy	5.3%	5.9%		

Total tax cap credits in Scott County were \$1.0 million, which was 5.9% of the levy. This was less than the state average of 10.9%, but more than the median or typical county percentage of 4.2%. Tax rates were the main determinant of tax cap credits. Scott County's average tax rate was near the statewide average rate. Tax cap

credits as a percentage of the levy were below the statewide average because the county had few credits in the 3% category. Most of the tax cap credits in Scott County were in the 2% nonhomestead residential/farmland category. A later table shows tax cap credits by category for each local government unit.

Tax cap credits in Scott County increased \$98,454 between 2012 and 2013. Credits as a share of the total levy rose to 5.9% in 2013 from 5.3% in 2012.

Scott County Levy Comparison by Taxing Unit

Taxing Unit	2009	2010	2011	2012	2013	% Change			
						2009 - 2010	2010 - 2011	2011 - 2012	2012 - 2013
<i>County Total</i>	14,916,528	15,070,313	15,326,010	15,557,517	15,529,797	1.0%	1.7%	1.5%	-0.2%
Scott County	3,978,914	3,799,374	4,162,214	4,120,194	4,061,410	-4.5%	9.5%	-1.0%	-1.4%
Finley Township	22,227	23,017	23,631	24,339	25,003	3.6%	2.7%	3.0%	2.7%
Jennings Township	136,523	140,793	130,444	134,762	138,547	3.1%	-7.4%	3.3%	2.8%
Johnson Township	44,174	45,791	46,959	48,502	49,830	3.7%	2.6%	3.3%	2.7%
Lexington Township	38,175	39,631	40,582	41,915	43,057	3.8%	2.4%	3.3%	2.7%
Vienna Township	94,557	97,983	100,612	100,033	106,583	3.6%	2.7%	-0.6%	6.5%
Scottsburg Civil City	1,665,743	1,721,667	1,764,035	1,814,072	1,864,133	3.4%	2.5%	2.8%	2.8%
Austin Civil Town	477,991	494,499	502,382	501,566	543,394	3.5%	1.6%	-0.2%	8.3%
Scott County District No. 1 School Corp	2,425,258	2,298,084	2,719,516	2,253,574	2,310,645	-5.2%	18.3%	-17.1%	2.5%
Scott County District No. 2 School Corp	5,517,981	5,876,002	5,303,811	5,972,447	5,828,808	6.5%	-9.7%	12.6%	-2.4%
Scott County Public Library	423,605	439,250	450,665	465,183	478,155	3.7%	2.6%	3.2%	2.8%
Southeastern Indiana Solid Waste Mgmt	91,380	94,222	81,159	80,930	80,232	3.1%	-13.9%	-0.3%	-0.9%
Scottsburg Redevelopment Commission	0	0	0	0	0				
Scott County Redevelopment Commission	0	0	0	0	0				
Austin Redevelopment Commission	0	0	0	0	0				

Scott County 2013 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
72001	Finley Township	1.9066	--	--	14.5881%	--	--	--	1.6285
72002	Jennings Township	2.5256	--	--	14.5881%	--	--	--	2.1572
72003	Austin Town	3.3796	--	--	14.5881%	--	--	--	2.8866
72004	Johnson Township	1.9442	--	--	14.5881%	--	--	--	1.6606
72005	Lexington Township	1.9053	--	--	14.5881%	--	--	--	1.6274
72007	Vienna Township	1.9127	--	--	14.5881%	--	--	--	1.6337
72008	Scottsburg City	2.7939	--	--	14.5881%	--	--	--	2.3863

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Scott County 2013 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	41,859	796,939	83,356	12,407	934,560	15,529,797	6.0%
<i>TIF Total</i>	1,380	59,180	43,788	317	104,664	2,037,413	5.1%
<i>County Total</i>	43,239	856,118	127,144	12,724	1,039,225	17,567,210	5.9%
Scott County	9,166	168,238	15,482	3,153	196,040	4,061,410	4.8%
Finley Township	0	0	0	5	5	25,003	0.0%
Jennings Township	302	12,791	1,786	107	14,986	138,547	10.8%
Johnson Township	0	0	0	16	16	49,830	0.0%
Lexington Township	0	0	0	31	31	43,057	0.1%
Vienna Township	243	2,653	0	112	3,008	106,583	2.8%
Scottsburg Civil City	10,261	111,950	0	1,280	123,491	1,864,133	6.6%
Austin Civil Town	2,089	92,452	22,329	845	117,715	543,394	21.7%
Scott County District No. 1 School Corp	5,732	246,019	41,631	2,119	295,501	2,310,645	12.8%
Scott County District No. 2 School Corp	12,805	139,705	0	4,305	156,815	5,828,808	2.7%
Scott County Public Library	1,079	19,807	1,823	371	23,080	478,155	4.8%
Southeastern Indiana Solid Waste Mgmt	181	3,324	306	62	3,873	80,232	4.8%
Scottsburg Redevelopment Commission	0	0	0	0	0	0	
Scott County Redevelopment Commission	0	0	0	0	0	0	
Austin Redevelopment Commission	0	0	0	0	0	0	
TIF - Jennings Township	0	0	0	0	0	294,511	0.0%
TIF - Austin City	41	1,868	43,788	0	45,696	512,722	8.9%
TIF - Scottsburg City	1,339	57,312	0	317	58,968	1,230,180	4.8%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over. The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.